



State of Wisconsin  
2001 - 2002 LEGISLATURE

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JK:kmg&wlj:rs

**ASSEMBLY AMENDMENT 1,  
TO 2001 ASSEMBLY BILL 380**

October 9, 2001 - Offered by ECONOMIC DEVELOPMENT.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 4, line 15: after that line insert:

3 **"SECTION 6m.** 71.04 (4m) of the statutes is created to read:

4 71.04 (**4m**) APPORTIONMENT FORMULA COMPUTATION. (a) 1. For taxable years  
5 beginning before January 1, 2005, if both the numerator and the denominator of the  
6 sales factor under sub. (7) related to a taxpayer's remaining net income are zero, the  
7 sales factor under sub. (7) is eliminated from the apportionment formula to  
8 determine the taxpayer's remaining net income under sub. (4).

9 2. For taxable years beginning after December 31, 2004, if both the numerator  
10 and the denominator of the sales factor under sub. (7) related to a taxpayer's  
11 remaining net income are zero, none of the taxpayer's remaining net income is  
12 apportioned to this state.

1 (b) 1. For taxable years beginning before January 1, 2005, if the numerator of  
2 the sales factor under sub. (7) related to a taxpayer's remaining net income is a  
3 negative number and the denominator of the sales factor under sub. (7) related to a  
4 taxpayer's remaining net income is a positive number, a negative number, or zero,  
5 the sales factor under sub. (7) is zero.

6 2. For taxable years beginning after December 31, 2004, if the numerator of the  
7 sales factor under sub. (7) related to a taxpayer's remaining net income is a negative  
8 number and the denominator of the sales factor under sub. (7) related to a taxpayer's  
9 remaining net income is a positive number, a negative number, or zero, none of the  
10 taxpayer's remaining net income is apportioned to this state.

11 (c) 1. For taxable years beginning before January 1, 2005, if the numerator of  
12 the sales factor under sub. (7) related to a taxpayer's remaining net income is a  
13 positive number and the denominator of the sales factor under sub. (7) related to a  
14 taxpayer's remaining net income is zero or a negative number, the sales factor under  
15 sub. (7) is one.

16 2. For taxable years beginning after December 31, 2004, if the numerator of the  
17 sales factor under sub. (7) related to a taxpayer's remaining net income is a positive  
18 number and the denominator of the sales factor under sub. (7) related to a taxpayer's  
19 remaining net income is zero or a negative number, all of the taxpayer's remaining  
20 net income is apportioned to this state.”.

21 **2.** Page 8, line 13: after that line insert:

22 “**SECTION 18m.** 71.25 (6m) of the statutes is created to read:

23 71.25 (**6m**) APPORTIONMENT FORMULA COMPUTATION. (a) 1. For taxable years  
24 beginning before January 1, 2005, if both the numerator and the denominator of the

1 sales factor under sub. (9) related to a taxpayer's remaining net income are zero, the  
2 sales factor under sub. (9) is eliminated from the apportionment formula to  
3 determine the taxpayer's remaining net income under sub. (6).

4 2. For taxable years beginning after December 31, 2004, if both the numerator  
5 and the denominator of the sales factor under sub. (9) related to a taxpayer's  
6 remaining net income are zero, none of the taxpayer's remaining net income is  
7 apportioned to this state.

8 (b) 1. For taxable years beginning before January 1, 2005, if the numerator of  
9 the sales factor under sub. (9) related to a taxpayer's remaining net income is a  
10 negative number and the denominator of the sales factor under sub. (9) related to a  
11 taxpayer's remaining net income is a positive number, a negative number, or zero,  
12 the sales factor under sub. (9) is zero.

13 2. For taxable years beginning after December 31, 2004, if the numerator of the  
14 sales factor under sub. (9) related to a taxpayer's remaining net income is a negative  
15 number and the denominator of the sales factor under sub. (9) related to a taxpayer's  
16 remaining net income is a positive number, a negative number, or zero, none of the  
17 taxpayer's remaining net income is apportioned to this state.

18 (c) 1. For taxable years beginning before January 1, 2005, if the numerator of  
19 the sales factor under sub. (9) related to a taxpayer's remaining net income is a  
20 positive number and the denominator of the sales factor under sub. (9) related to a  
21 taxpayer's remaining net income is zero or a negative number, the sales factor under  
22 sub. (9) is one.

23 2. For taxable years beginning after December 31, 2004, if the numerator of the  
24 sales factor under sub. (9) related to a taxpayer's remaining net income is a positive  
25 number and the denominator of the sales factor under sub. (9) related to a taxpayer's

1 remaining net income is zero or a negative number, all of the taxpayer's remaining  
2 net income is apportioned to this state.”.

3 **3.** Page 12, line 21: after that line insert:

4 “**SECTION 28m.** 71.45 (3e) of the statutes is created to read:

5 71.45 **(3e)** APPORTIONMENT FORMULA COMPUTATION. (a) 1. For taxable years  
6 beginning before January 1, 2005, if both the numerator and the denominator used  
7 to determine the percentage under sub. (3) (a) related to a taxpayer's net income are  
8 zero, the percentage under sub. (3) (a) is eliminated from the apportionment formula  
9 to determine the taxpayer's income under sub. (3).

10 2. For taxable years beginning after December 31, 2004, if both the numerator  
11 and the denominator used to determine the percentage under sub. (3) (a) related to  
12 a taxpayer's net income are zero, none of the taxpayer's net income is apportioned  
13 to this state.

14 (b) 1. For taxable years beginning before January 1, 2005, if the numerator  
15 used to determine the percentage under sub. (3) (a) related to a taxpayer's net income  
16 is a negative number and the denominator used to determine the percentage under  
17 sub. (3) (a) related to a taxpayer's net income is a positive number, a negative number,  
18 or zero, the percentage under sub. (3) (a) is zero.

19 2. For taxable years beginning after December 31, 2004, if the numerator used  
20 to determine the percentage under sub. (3) (a) related to a taxpayer's net income is  
21 a negative number and the denominator used to determine the percentage under  
22 sub. (3) (a) related to a taxpayer's net income is a positive number, a negative number,  
23 or zero, none of the taxpayer's net income is apportioned to this state.

1 (c) 1. For taxable years beginning before January 1, 2005, if the numerator used  
2 to determine the percentage under sub. (3) (a) related to a taxpayer's net income is  
3 a positive number and the denominator used to determine the percentage under sub.  
4 (3) (a) related to a taxpayer's net income is zero or a negative number, the percentage  
5 under sub. (3) (a) is one.

6 2. For taxable years beginning after December 31, 2004, if the numerator used  
7 to determine the percentage under sub. (3) (a) related to a taxpayer's net income is  
8 a positive number and the denominator used to determine the percentage under sub.  
9 (3) (a) related to a taxpayer's net income is zero or a negative number, all of the  
10 taxpayer's net income is apportioned to this state.”.

11 **4.** Page 13, line 12: after that line insert:

12 **“SECTION 30m. Initial applicability.**

13 **“(1x) SINGLE SALES FACTOR APPORTIONMENT.** The treatment of section 71.45 (3)  
14 (intro.), (a), and (b) and (3m) of the statutes first applies to taxable years beginning  
15 after December 31, 2002.”.

16 (END)